

# Fiscal Monitoring2020–21 Program Instrument

**California Department of Education**

**June 2020**

## III. Funding

### FM 01: Time and Effort Requirements

1. Ensure that the local educational agency (LEA) properly charges and documents salaries and wages that are reasonable, necessary, and allowable in accordance with applicable program requirements.
(2 Code of Federal Regulations [2 CFR] sections 200.430[a] and [i],
200.61-62 and 200.302)
	* 1. Title I, Part A—Resource Code 3010\*
		2. Title I, Part C—Resource Codes 3060 and 3061\*
		3. Title II, Part A—Resource Code 4035\*
		4. Title III—Resource Codes 4201 and 4203\*
		5. Title IV—Resource Code 4124\*

\*And, any additional resource codes used for Title I, Part A and Part C,
Title II Part A, Title III, and 21st
Century Community Learning Centers (CCLC).

#### Evidence Requests

##### Chart of Accounts

Abbreviation: CtAccts

Description: A list of the established accounts used by the LEA including categories such as fund, resource, object, site, etc.

Item Instructions: FM 01: The list should include account numbers and a description of each account.

Related Items: FM 01, FM 02, FM 03, FM 04

##### Duty Statements (secondary evidence request for FM)

Abbreviation: DtyStmnt

Description: An individual employee's duty statement describing responsibilities and activities (cost objectives), as agreed to by employer and employee.

Item Instructions: FM 01: Once the Payroll Records, Position Control Report and General Ledger have been provided, the reviewer will select a sample of employees for review; Duty Statements should be provided for each of these employees.

Related Items: AE 04, FM 01, FM 03, EXLP 11, SEI 05, SEI 07, CTE 02, ME 09, CE 10, CE 11, CE 13, NorD 06

##### LEA Level Planning Documents

Abbreviation: LEALvlPlngDocs

Description: The current approved LEA level planning documents, such as the current approved Local Control and Accountability Plan (LCAP) Federal Addendum.

Item Instruction:

Related Items: FM 01, FM 02, SEI 01, SEI 02, SEI 03, SEI 04, SEI 05, SEI 10, SEI 11

##### General Ledger

Abbreviation: GnLdgr

Description: Detailed General Ledger for the specific resource code(s) being reviewed. (The General Ledger should include the date, description, vendor name, and total amount for each expenditure line item).

Item Instructions: FM 01: Reviewer will indicate fiscal year. Provide district-wide reports for these resource codes: 3010, 3060, 3061, 4035, 4124, 4201, 4203, and any additional resource codes used for Title I, Part A and Part C, Title II Part A, Title III, and 21st CCLC.

Related Items: AE 02, FM 01, FM 02, FM 03, FM 05, FM 06, EXLP 09, EXLP 11, EXLP 19, SEI 05, SEI 06, SEI 07, CTE 02, ME 07, ME 08, CE 10, NorD 05

##### Payroll Records

Abbreviation: PyrlRcrds

Description: Record of salaries and benefits paid to employees that work at the LEA for the fiscal year under review, that identifies the employees’ name, hours worked, gross pay, net pay, deductions, and payroll period.

Item Instructions: FM 01: Reviewer will indicate fiscal year. Provide district-wide reports for these resource codes: 3010, 3060, 3061, 4035, 4124, 4201, 4203, and any additional resource codes used for Title I, Part A and Part C, Title II Part A, Title III, and 21st CCLC.

Related Items: FM 01, FM 03, ME 09

##### Position Control Report

Abbreviation: PstnCntrlRprt

Description: Budget report of employees planned to be paid in whole, or in part, with federal funds by resource code in the fiscal year under review.

Item Instructions: FM 01: The reviewer will indicate which fiscal year the LEA should provide for review. This district-wide report should include the employees’ name, resource code(s), salary, and benefits for all funding sources.

Related Items: FM 01, FM 03, SEI 05, SEI 07, ME 09, CE 10, CE 13, NorD 05, NorD 06

##### School Plan for Student Achievement (SPSA)

Abbreviation: SPSA

Description: Must include the school name, a budget with specific federal program information that aligns to the school’s academic goals and key improvement strategies, and evidence of required approvals by Schoolsite Council (SSC) and local governing board. Reviewer will indicate which fiscal year to provide.

Item Instructions: FM 01: Include any necessary page references for each instrument item and fund source in the link description.

Related Items: FM 01, FM 02, FM 03, FM 05, CE 05, CE 06, CE 10, CE 16

##### Subcontractor Agreements (secondary evidence request for FM)

Abbreviation: SbcntrctorAgrmnts

Description: Agreements with subcontractors for services provided and charged to federal programs, as applicable.

Item Instructions: FM 01: Once the General Ledger is provided, the reviewer may select a sample of subcontractor agreement transactions for review.

Related Items: FM 01, FM 03

##### Time and Effort Policies and Procedures

Abbreviation: TmEffrtRprtPlcyPrcdrs

Description: LEAs established written policies and procedures for documenting time and efforts of employees that work on federal programs. Current year.

Item Instructions: FM 01: The documentation should include the LEA’s specific policies and procedures for documenting actual hours worked, including related internal controls, employee training, reconciliation processes, deadlines, and authority.

Related Items: AE 02, FM 01, CTE 02, EL 08, CE 13, NorD 06

##### Time and Effort Records (secondary evidence request for FM)

Abbreviation: TmEfrtRcrds

Description: Documentation to support salaries and benefits charged to each program funding source under review in accordance with federal requirements. Records may include personnel activity reports, semiannual certifications, or other equivalent records. Budget estimates do not qualify as support.

Item Instructions: FM 01: Once Payroll Records and Position Control Report have been uploaded, the reviewer will select two quarters of time accounting records for review.

Related Items: AE 02, FM 01, FM 03, EXLP 09, CTE 02, EL 08, HE 10, ME 09, CE 10, CE 13, NorD 05

### FM 02: Allowable Costs

1. Ensure the LEA charges costs to the program that are reasonable, necessary, and allowable in accordance with applicable statutes, regulations, and program plans for the following programs:
(2 CFR sections 200.317-326 and 200.400–475)
	* 1. Title I, Part A—Resource Code 3010\*
		2. Title I, Part C (20 United States Code (20 U.S.C.) Section 6394 [c][1][A])—Resource Codes 3060 and 3061\*
		3. Title II, Part A—Resource Code 4035\*
		4. Title III—Resource Codes 4201 and 4203\*
		5. Title IV—Resource Code 4124\*

\*And any additional resource codes used for Title I, Part A and Part C, Title II Part A, Title III, and 21st CCLC.

#### Evidence Requests

##### Allowability Procedures

Abbreviation: AlwbltyPrcdr

Description: LEA’s established written procedures for determining the allowability of costs in accordance with federal regulations.

Item Instructions:

Related Items: FM 02

##### Chart of Accounts

Abbreviation: CtAccts

Description: A list of the established accounts used by the LEA including categories such as fund, resource, object, site, etc.

Item Instructions:

Related Items: FM 01, FM 02, FM 03, FM 04

##### Conflict of Interest Policy

Abbreviation: CnftlntrtPlcs

Description: LEA’s established written standards of conduct covering conflicts of interest and governing the actions of its employees and consequences for violations of the policy.

Item Instructions: FM 02: The documentation provided should be specific to the LEA.

Related Items: FM 02

##### Equipment Procedures

Abbreviation: EqmtPrcdrs

Description: LEA’s established written procedures for managing equipment in accordance with federal and state requirements.

Item Instructions: FM 02: The documentation provided should be specific to the LEA’s management of equipment, whether acquired in whole or in part under the federal award.

Related Items: FM 02

##### General Ledger

Abbreviation: GnLdgr

Description: Detailed General Ledger for the specific resource code(s) being reviewed. (The General Ledger should include the date, description, vendor name, and total amount for each expenditure line item).

Item Instructions: FM 02: Reviewer will indicate fiscal year. Provide district-wide reports for these resource codes: 3010, 3060, 3061, 4035, 4124, 4201, 4203, and any additional resource codes used for Title I, Part A and Part C, Title II Part A, Title III, and 21st CCLC.

Related Items: AE 02, FM 01, FM 02, FM 03, FM 05, FM 06, EXLP 09, EXLP 11, EXLP 19, SEI 05, SEI 06, SEI 07, CTE 02, ME 07, ME 08, CE 10, NorD 05

##### Invoices (secondary evidence request for FM)

Abbreviation: Invcs

Description: Vendor invoices, detailed receipts or documentation to substantiate how costs benefited programs.

Item Instructions: FM 02: Once the complete General Ledger and SPSA have been provided, the reviewer will select a sample of invoices for review. Invoices should be itemized to identify exactly what was purchased and how the expenditure benefited the program.

Related Items: FM 02, FM 03, SEI 05, SEI 06, SEI 07, CTE 02

##### LEA Level Planning Documents

Abbreviation: LEALvlPlngDocs

Description: The current approved LEA level planning documents, such as the current approved Local Control and Accountability Plan (LCAP) Federal Addendum.

Item Instruction:

Related Items: FM 01, FM 02, SEI 01, SEI 02, SEI 03, SEI 04, SEI 05, SEI 10, SEI 11

##### Procurement Procedures

Abbreviation: PrcrmntPrcdrs

Description: LEA’s established written procedures over the purchasing and payment process.

Item Instructions: FM 02: The documentation provided should be specific to the LEA’s procurement process.

Related Items: FM 02, FM 03

##### School Plan for Student Achievement (SPSA)

Abbreviation: SPSA

Description: Must include the school name, a budget with specific federal program information that aligns to the school’s academic goals and key improvement strategies, and evidence of required approvals by Schoolsite Council (SSC) and local governing board. Reviewer will indicate which fiscal year to provide.

Item Instructions: FM 02: Include any necessary page references for each instrument item and fund source in the Link Description.

Related Items: FM 01, FM 02, FM 03, FM 05, CE 05, CE 06, CE 10, CE 16

##### Travel Policy

Abbreviation: TrvlPlcy

Description: LEA’s established written policy for determining the allowability of travel costs in accordance with federal requirements.

Item Instructions: FM 02: The documentation provided should be specific to the LEA’s travel processes.

Related Items: FM 02

### FM 03: Supplement, Not Supplant

1. Ensure the LEA uses federal funds only to supplement, and not supplant, state and local funds for the following programs:
	* 1. Title I, Part A
		(20 U.S.C. Section 6321[b]; Elementary and Secondary Education Act [ESEA] Section 1118[b])—Resource Code 3010 \*
		2. Title I, Part C
		(20 U.S.C. sections 6321[b] and 6394[c][2])—Resource Codes 3060 and 3061\*
		3. Title II, Part A (20 U.S.C. Section 6321)—Resource Code 4035\*
		4. Title III
		(20 U.S.C. Section 6825[g]; Title 5, California Code of Regulations [CCR] 4320[a]; *EC* sections 52168[b] and [c] 54025[c])—Resource Code 4201 and 4203\*Title IV
		(California *Education Code* (*EC*). Section 7174[b][2][G])—Resource Code 4124\*

\*And any additional resource codes used for Title I, Part A and Part C, Title II Part A, Title III, and 21st CCLC.

#### Evidence Requests

##### Chart of Accounts

Abbreviation: CtAccts

Description: A list of the established accounts used by the LEA including categories such as fund, resource, object, site, etc.

Item Instructions: FM 03: The list should include account numbers and a description of each account.

Related Items: FM 01, FM 02, FM 03, FM 04

##### Duty Statements (secondary evidence request for FM)

Abbreviation: DtyStmnt

Description: An individual employee's duty statement describing responsibilities and activities, as agreed to by employer and employee.

Item Instructions: FM 03: Once the Payroll Records, Position Control Report and General Ledger have been provided, the reviewer will select a sample of employees for review; Duty Statements should be provided for each of these employees.

Related Items: AE 04, FM 01, FM 03, EXLP 11, SEI 05, SEI 07, CTE 02, ME 09, CE 10, CE 11, CE 13, NorD 06

##### General Ledger

Abbreviation: GnLdgr

Description: Detailed General Ledger for the specific resource code(s) being reviewed. (The General Ledger should include the date, description, vendor name, and total amount for each expenditure line item).

Item Instructions: FM 03: Reviewer will indicate fiscal year. Provide District-wide reports for these resource codes: 3010, 3060, 3061, 4035, 4124, 4201, 4203, and any additional resource codes used for Title I, Part A and Part C, Title II Part A, Title III, and 21st CCLC.

Related Items: AE 02, FM 01, FM 02, FM 03, FM 05, FM 06, EXLP 09, EXLP 11, EXLP 19, SEI 05, SEI 06, SEI 07, CTE 02, ME 07, ME 08, CE 10, NorD 05

##### Invoices (secondary evidence request for FM)

Abbreviation: Invcs

Description: Vendor invoices, detailed receipts or documentation to substantiate how costs benefited programs.

Item Instructions: FM 03: Once the complete General Ledger and SPSA have been provided, the reviewer will select a sample of invoices for review. Invoices should be itemized to identify exactly what was purchased and how the expenditure benefited the program.

Related Items: FM 02, FM 03, SEI 05, SEI 06, SEI 07, CTE 02

##### Methodology for Allocating State and Local Funds

Abbreviation: MthAlctStLcFnd

Description: Documentation demonstrating that state and local funds were allocated to the school sites equitably in the fiscal year under review. Documentation should demonstrate that federal funds were used to supplement state and local funding.

Item Instructions: FM 03: The reviewer will indicate which fiscal year the LEA should provide for review. Documentation should demonstrate that federal funds were used to supplement state and local funding.

Related Items: FM 03, CE 11

##### Payroll Records

Abbreviation: PyrlRcrds

Description: Record of salaries and benefits paid to employees that work at the LEA for the fiscal year under review, that identifies the employees’ name, hours worked, gross pay, net pay, deductions, and payroll period.

Item Instructions: FM 03: The reviewer will indicate which fiscal year the LEA should provide for review.

Related Items: FM 01, FM 03, ME 09

##### Position Control Report

Abbreviation: PstnCntrlRprt

Description: Budget report of employees planned to be paid in whole, or in part, with federal funds by resource code in the fiscal year under review.

Item Instructions: FM 03: The reviewer will indicate which fiscal year the LEA should provide for review. This district-wide report should include the employees’ name, resource code(s), salary, and benefits for all funding sources.

Related Items: FM 01, FM 03, SEI 05, SEI 07, ME 09, CE 10, CE 13, NorD 05, NorD 06

##### Procurement Procedures

Abbreviation: PrcrmntPrcdrs

Description: LEA’s established written procedures over the purchasing and payment process.

Item Instructions: FM 03: The documentation provided should be specific to the LEA’s procurement process

Related Items: FM 02, FM 03

##### School Plan for Student Achievement (SPSA)

Abbreviation: SPSA

Description: Must include the school name, a budget with specific federal program information that aligns to the school’s academic goals and key improvement strategies, and evidence of required approvals by Schoolsite Council (SSC) and local governing board. Reviewer will indicate which fiscal year to provide.

Item Instructions: FM 03: Include any necessary page references for each instrument item and fund source in the Link Description.

Related Items: FM 01, FM 02, FM 03, FM 05, CE 05, CE 06, CE 10, CE 16

##### Subcontractor Agreements (secondary evidence request for FM)

Abbreviation: SbcntrctorAgrmnts

Description: Agreements with subcontractors for services provided and charged to federal programs, as applicable.

Item Instructions: FM 03: Once the General Ledger is provided, the reviewer may select a sample of subcontractor agreement transactions for review.

Related Items: FM 01, FM 03

##### Time and Effort Records (secondary evidence request for FM)

Abbreviation: TmEfrtRcrds

Description: Documentation to support salaries and benefits charged to each program funding source under review in accordance with federal requirements. Records may include personnel activity reports, semiannual certifications, or other equivalent records. Budget estimates do not qualify as support.

Item Instructions: FM 03: Once Payroll Records and Position Control Report have been uploaded, the reviewer will select two quarters of time and effort records for review.

Related Items: AE 02, FM 01, FM 03, EXLP 09, CTE 02, EL 08, HE 10, ME 09, CE 10, CE 13, NorD 05

### FM 04: Cash Management

1. Verify that the LEA is properly calculating, reporting, and remitting interest earned on unspent federal advances for the following programs:
(2 CFR 200.302 and 200.305[b][9])
	* 1. Title I, Part A—Resource Code 3010\*
		2. Title I, Part C—Resource Code 3060 and 3061\*
		3. Title II, Part A—Resource Code 4035\*
		4. Title III—Resource Code 4201 and 4203\*
		5. Title IV—Resource Code 4124\*

\*And any additional resource codes used for Title I, Part A and Part C, Title II Part A, Title III, and 21st CCLC.

#### Evidence Requests

##### Cash Balance Report

Abbreviation: CshBalRpt

Description: Documentation identifying the LEA’s average daily (or monthly) cash balances of unspent federal advances.

Item Instructions: FM 04: Documentation should include a full accounting of the daily (or monthly) balances by resource code without reimbursable programs.

Related Items: FM 04

##### Cash Management Procedures

Abbreviation: CshMngmntPrcdrs

Description: LEA’s established written cash management procedures, including how the LEA calculates interest earned on federal advances.

Item Instructions:

Related Items: FM 04

##### Chart of Accounts

Abbreviation: CtAccts

Description: A list of the established accounts used by the LEA including categories such as fund, resource, object, site, etc.

Item Instructions: FM 04: The list should include account numbers and a description of each account.

Related Items: FM 01, FM 02, FM 03, FM 04

##### County Treasurer Interest Rate Notification

Abbreviation: CntyTrsrIntrstRtNtfctn

Description: Documentation from the County Treasurer that identifies the interest rate used in the calculation of interest earned on federal cash advances.

Item Instructions: FM 04: Documentation may be a letter, email, or report from the County Treasurer.

Related Items: FM 04

##### Interest Remittances (date and amount)

Abbreviation: IntrstRmtncs

Description: Documentation substantiating that interest earned on federal advances has been remitted to the California Department of Education (CDE) (i.e., copies of checks).

Item Instructions: FM 04: LEA must include documentation substantiating the LEA reported and/or remitted interest for the two most recent quarters. If necessary, additional quarters may be requested by the reviewer.

Related Items: FM 04

##### LEA Interest Calculation

Abbreviation: LEAIntClc

Description: Documentation substantiating the four most recent quarters for which the LEA reported and remitted interest earned on federal advances.

Item Instructions: FM 04: Should provide the full calculation detail, not summaries, including the average daily or monthly cash balances, specific resources included, annual interest rate, and calculations specific to the LEA.

Related Items: FM 04

### FM 05: Funding

1. Ensure that the LEA allocates Title I, Part A funds to school sites in accordance with the approved allocation formulas contained in the consolidated application. The SSC must annually review, update, and approve the school plans for student achievement, including the proposed expenditures of all Title I, Part A funds allocated to the school site in accordance with the Consolidated Application; and the local governing board must review and approve the school plans annually or whenever there are material changes to the plan.
(*EC* sections 62002, 64000[b] and [c], 64001[g]); 20 U.S.C. Section 6333; ESEA Section 1124).

#### Evidence Requests

##### General Ledger

Abbreviation: GnLdgr

Description: Detailed General Ledger for the specific resource code(s) being reviewed. (The General Ledger should include the date, description, vendor name, and total amount for each expenditure line item).

Item Instructions: FM 05: Reviewer will indicate fiscal year. Provide district-wide reports for these resource codes: 3010, 3060, 3061, 4035, 4124, 4201, 4203, and any additional resource codes used for Title I, Part A and Part C, Title II Part A, Title III, and 21st CCLC.

Related Items: AE 02, FM 01, FM 02, FM 03, FM 05, FM 06, EXLP 09, EXLP 11, EXLP 19, SEI 05, SEI 06, SEI 07, CTE 02, ME 07, ME 08, CE 10, NorD 05

##### School Funding Notification Letters

Abbreviation: SchlFndgNtfctnLtr

Description: Documentation from the LEA notifying each school site of its total Title I, Part A allocation amount for the fiscal year under review.

Item Instructions: FM 05: Email, letter, LEA budgetary chart, or other documentation used to notify schools of the Title I, Part A allocation should be provided.

Related Items: FM 05

##### School Plan for Student Achievement (SPSA)

Abbreviation: SPSA

Description: Must include the school name, a budget with specific federal program information that aligns to the school’s academic goals and key improvement strategies, and evidence of required approvals by Schoolsite Council (SSC) and local governing board. Reviewer will indicate which fiscal year to provide.

Item Instructions: FM 05: Include any necessary page references for each instrument item and fund source in the Link Description.

Related Items: FM 01, FM 02, FM 03, FM 05, CE 05, CE 06, CE 10, CE 16

### FM 06: Reporting

1. Ensure that the LEA complied with the accountability and reporting requirements for the Title IV program.
(*EC* sections 8482.3[f][5] and 8484.8[b][3] and [4])—Resource Code 4124\*

\*And any additional resource codes used for 21st CCLC

#### Evidence Requests

##### General Ledger

Abbreviation: GnLdgr

Description: Detailed General Ledger for the specific resource code(s) being reviewed. (The General Ledger should include the date, description, vendor name, and total amount for each expenditure line item).

Item Instructions: FM 06: LEA must provide the General Ledger which coincides with the LEA’s most recent reporting to the CDE’s After School Support and Information System (ASSIST) for the expenditures to the Title IV, 21st Century Community Learning Center program, resource code: 4124.

Related Items: AE 02, FM 01, FM 02, FM 03, FM 05, FM 06, EXLP 09, EXLP 11, EXLP 19, SEI 05, SEI 06, SEI 07, CTE 02, ME 07, ME 08, CE 10, NorD 05